

July 19, 2002

Mary L. Cottrell, Secretary
Department of Telecommunications and Energy
One South Station
Boston, MA 02110

**RE: D.T.E. 02-24/25 - Petition of Fitchburg Gas and Electric Light Company,
pursuant to G.L. Chapter 164 §94 and 220 CMR §§ 5.00 *et seq.* for a General
Increase in Gas and Electric Rates**

Dear Secretary Cottrell:

Enclosed for filing please find an original and six copies of the Massachusetts Division of Energy Resources (DOER) information requests issued in response to the initial filing in the above referenced proceeding. A copy of the filing has been served on all parties to the proceeding.

If you have any questions or need additional information please feel free to contact me at (617) 727-4732 x-132.

Sincerely,

Matthew T. Morais
DOER Legal Counsel

Enclosures
cc: service list

CERTIFICATE OF SERVICE

I, Matthew T. Morais, certify that I have served a copy of DOER's information requests in D.T.E. 02-24/25, contained herein, on each individual on the service list in D.T.E. 02-24/25 on file with the Department of Telecommunications and Energy.

Dated at Boston, Massachusetts, this 19th day of July, 2002.

Matthew T. Morais
Legal Counsel
DOER
70 Franklin Street, 7th Floor
Boston, MA 02110-1313

July 19, 2002

Patricia French, Esquire
LeBoeuf, Lamb, Greene & MacRae, LLP
260 Franklin Street
Boston, MA 02110-3173

**Re: D.T.E. 02-24/25 - Petition of Fitchburg Gas and Electric Light Company,
pursuant to G.L. Chapter 164 §94 and 220 CMR §§ 5.00 *et seq.* for a General
Increase in Gas and Electric Rates**

Dear Ms. French:

Enclosed please find the Massachusetts Division of Energy Resources (DOER) information requests issued in response to the initial filing in the above referenced proceeding.

Thank you for your attention in this matter. If you have any questions or need additional information please feel free to contact me at (617) 727-4732 x-132.

Sincerely,

Matthew T. Morais
DOER Legal Counsel

Enclosure

cc: service list

**COMMONWEALTH OF MASSACHUSETTS DEPARTMENT OF
TELECOMMUNICATIONS AND ENERGY**

Fitchburg Gas and Electric Light Company)	
)	DTE 02-24/25
)	

**THE MASSACHUSETTS
DIVISION OF ENERGY RESOURCES FIRST SET OF INFORMATION
REQUESTS**

Pursuant to 220 CMR 1.06(6)(c), the Division of Energy Resources (DOER) hereby submits the following information requests to the Fitchburg Gas and Electric Light Company (“Company”) regarding the above referenced proceeding.

Instructions

For the purpose of responding to the Massachusetts Division of Energy Resources’ (“DOER”) Information Requests (“Requests”), any reference to the “Company” or “Fitchburg” shall mean Fitchburg Gas and Electric Light Company. These Requests apply to D.T.E. 02-24/25; Gas Division and Electric Division Rate Request.

In responding to these Requests, DOER emphasizes that the Company provide complete and detailed responses to all questions within the time allowed for responding to discovery set forth in the Ground Rules. DOER also expressly requests that the Company provide all relevant documentation¹ with, in support of, or referenced in the Responses.

Please provide each Response on a separate page with the following:

- ?? a reference to the DTE docket number;
- ?? a recitation of the Request to which the response is being provided (including the Request identification/reference number – e.g. DOER 2-1); and
- ?? The name, business title and address of the person(s) responsible for preparing each response.

In order to expedite the review of the responses, please provide the responses as they are completed. Please do not wait for the completion of all responses.

¹ “Documentation” includes, but is not limited to, writings, drawings, graphs, charts, notes, memoranda, work papers, spread sheets, photographs, phono-records, and other data compilations from which information can be obtained, translated, if necessary, by the Company, through detection devices, into reasonably useable form.

A Request otherwise proper is not necessarily objectionable merely because the response involves an opinion or contention that relates to fact or the application of law to fact. See Rule 33 (c), Mass. R. Civ. Pro. If any Request appears to be objectionable, the person responding shall provide full and complete responses to all portions of the Request about which no objection is made. All objections should be signed by Counsel for the Company. Any grounds for objection not stated in a timely manner shall be waived, unless the failure to object is excused, for good cause shown, by the Hearing Officer.

DOER also emphasizes that the Company is obligated to provide supplemental responses to these Requests if all relevant information is not readily available within the time provided to respond or if the Company develops or obtains additional information within the scope of said Requests subsequent to the provision of the initial response and prior to the close of the record in D.T.E. 02-24/25.

If any of the Requests are ambiguous or need clarification in any way, please contact Matt Morais, Division of Energy Resources, at 617-727-4732 ext. 132, or matt.morais@state.ma.us to clarify the Request(s) prior to the preparing the response.

INFORMATION REQUESTS

DOER-1-1 (gas and electric):

Please provide the name(s), business title(s)/business affiliation, and address for every person responsible for assisting the following persons in the substantive development² of responses to these Requests, including in your response whether each person(s) so identified will be available, if necessary, for cross examination during the scheduled evidentiary hearings:

- (a) Mark H. Collin;
- (b) Karen Asbury;
- (c) Samuel Hadaway;
- (d) James Harrison; and
- (e) James Aikman.

DOER 1-2 (gas):

Please refer to Volume III of the Harrison testimony. Pages 27 - 30 describe the information needed to update the Company's CGAC. Please list the specific accounts and total dollar amounts assigned to the CGAC for each of the six gas supply costs that are segregated from delivery revenue requirements.

² This inquiry is limited in scope to those persons who prepared, ran models, or in some other way developed the substance of the responses. This inquiry does not apply to administrative or stenographic assistance.

DOER 1-3 (gas):

Were any costs, other than those listed in DOER 1-2, segregated from delivery revenue requirements and assigned to gas supply revenue requirement? If so, please list these costs and their respective total dollar amounts.

DOER 1-4 (gas):

Please indicate the appropriate pages in the cost study where the costs identified in response to DOER 1-2 and 1-3 are segregated and assigned to their respective service/function.

DOER 1-5 (gas):

Please identify all operations and maintenance costs, other than those booked in Account 851, that have been removed from the transportation revenue requirement and assigned to gas supply revenue requirement.

DOER 1-6 (gas):

Please explain why only "some" of the legal expenses in Account 928 were assigned to the merchant function. Please also quantify the assignment of legal expenses to the respective services/functions and provide all relevant documentation to support the quantitative assignment of the legal expenses.

DOER 1-7 (gas):

Please identify all legal costs, other than those booked in Account 928, that have been removed from the transportation revenue requirement and assigned to gas supply revenue requirement.

DOER 1-8 (gas):

Please list the specific accounts, account numbers, and total dollar amounts of the general plant and administrative and general expenses that have been removed from the transportation revenue requirement and assigned to gas supply revenue requirement.

DOER 1-9 (gas):

Please provide a current Chart of Accounts that includes a short description for each account used by the Company in its cost studies.

DOER 1-10 (gas):

With reference to Schedule KMA-3 (Gas), the Preliminary Customer Charges are greater than the Proposed Customer Charges for all of the Company's customer classes. For the last three Company rate cases, please provide, for each customer class:

- (a) the Company's Preliminary and Proposed Customer Charges; and
- (b) the Actual Customer Charges approved by the Department.

DOER 1-11 (gas):

With reference to Schedule KMA-3 (Gas), the Preliminary Volumetric Charges are less than the Proposed Volumetric Charges for all of the Company's customer classes. For the last three Company rate cases, please provide, for each customer class:

- (a) the Company's Preliminary and Proposed Volumetric Charges; and
- (b) the Actual Volumetric Charges approved by the Department.

DOER 1-12 (gas):

Schedule KMA-3 (Gas) provides the Marginal Cost Customer and Volumetric Components for each rate class. For the last three Company rate cases, please provide, for each customer class, the Company's estimated Marginal Cost Customer and Volumetric Components.

DOER 1-13 (gas):

With reference to Exh. FGE-KMA-1 (Gas), pages 364 – 365, the testimony says, "FG&E arrived at a final customer charge of \$ 8.50 with the intent of setting the customer charge as high as possible in order to maximize rate efficiency ,..." At Schedule KMA-3 (Gas), for each rate class, please identify which of the Customer Charges (Marginal Cost, Preliminary, or Proposed) promotes the greatest rate efficiency.

DOER 1-14 (gas):

With reference to Exh. FGE-KMA-1 (Gas), page 365, the testimony states, in sum, that the Proposed Residential Customer Charge increases are approximately the same as the overall revenue requirement increase for the respective residential class. Taking this conclusion as correct and accurate, please explain, on a relative basis, if this level of increase tends to move either the Company's Customer Charges or Volumetric Rates closer to the appropriate costs for these residential rate classes.

DOER 1-15 (gas):

With reference to Exh. FGE-KMA-1 (Gas), page 366, the testimony states, "The increase in the customer charge is slightly less than the overall revenue requirement increase for these [small general service customers] classes taken together." Taking this conclusion as correct and accurate, please explain, on a relative basis, whether this level tends to move either the Company's Customer Charges or the Volumetric Rates closer to the appropriate costs from these small general service classes.

DOER 1-16 (gas):

Were any of the investments in gas system upgrades made in response to, or in compliance with, any federal, state, or municipal order, including but not limited to enforcement orders, compliance schedules, or supplemental improvement orders? If "yes" provide a complete explanation of such order(s) and include copies of all such order(s) and all other documents relevant to such order(s).

All of the following information requests are related to the identified sections in Schedule JLH-2 (Accounting Cost of Service Study).

Rate Base section

DOER 1-17 (electric):

Please refer to page 38, line 7. Please define, and describe the purpose of, “customer deposits”, and explain why they are in rate base.

DOER 1-18 (electric):

Please refer to page 39, lines 1&2. Please define the term “intangible plant” and provide a comprehensive list of all assets/items/property that are categorized as intangible plant.

DOER 1-19 (electric):

Please refer to page 40, line 14. Please define the term “services” as it is used in this section.

DOER 1-20 (electric):

Please refer to page 42, lines 1&2. Please define the term “intangible” and provide a comprehensive list of all assets/items/property that are categorized as such.

DOER 1-21 (electric):

Please refer to page 42, line 15. Please define the term “services” and provide a comprehensive list of all functions/activities that are categorized as such.

DOER 1-22 (electric):

Please refer to page 43, lines 13&14. Please define “materials & supplies” and provide a comprehensive list of all items that are categorized as such.

DOER 1-23 (electric):

Please refer to page 43, line 16. Please define what is meant by “other O&M”, and provide a comprehensive list of all functions/activities that are categorized as such.

Operating Revenues section

DOER 1-24 (electric):

Please refer to page 45, line 2. Please define “special contract kes” and provide a comprehensive list of all items/functions/activities that are categorized as such.

DOER 1-25 (electric):

Please refer to page 45, line 3. Please define “IT special contract kes” and provide a comprehensive list of all items/functions/activities that are categorized as such.

DOER 1-26 (electric):

Please refer to page 45, line 4. Please define “accrued rev internal transmission” and provide a comprehensive list of all items/functions/activities that are considered by the Company to fall within this definition.

DOER 1-27 (electric):

Please refer to page 45, line 6. Are the “late pymt charges” recovered from all customers? Are competitive supply customers subject to the same “late pymt charges” as Standard Offer Service (“SOS”) or Default Service (“DS”) customers? Are competitive supply customers charged late pymt fees separately by the Company and the competitive supplier?

Operation & Maintenance section

DOER 1-28 (electric):

Please refer to page 46, lines 1&2. Please define “other power supply expenses” and provide a comprehensive list of all expenses that are considered such.

DOER 1-29 (electric):

Please refer to page 48, line 1. Does “supervision” of customer accounts refer to all customers, including competitive supply customers? If yes, then explain the specific tasks/activities and all relevant costs that are associated with the “supervision” of customer accounts and identify the proportion of these costs that are associated with the customer account functions related to generation.

DOER 1-30 (electric):

Please refer to page 48, line 2. Please define the phrase “supervision-non utility adj.” and provide a comprehensive list of all items/functions/activities that are considered by the Company to fall within this definition.

DOER 1-31 (electric):

Please refer to page 48, line 4. Does “customer records & collection” cover all customers, including competitive supply customers? If yes, then explain the specific tasks/activities, and all relevant costs, that are associated with “customer records & collection” and identify the specific activities and the relevant proportional costs that are associated with functions related to generation.

DOER 1-32 (electric):

Please refer to page 48, line 5. Does “billing & postage” include billing for Suppliers?

DOER 1-33 (electric):

Please refer to page 408, line 6. Please define “cust rec-non utility adj.” and provide a comprehensive list of all items/functions/activities that are considered by the Company to fall within this definition.

DOER 1-34 (electric):

Please refer to page 408, Re: p 408 line 7. Do the “uncollectible accounts” include arrears on generation charges for SOS and DS customers?

DOER 1-35 (electric):

Please refer to Schedule KMA-3 (Electric). This schedule indicates that the Preliminary customer charges are greater than the Proposed customer charges for all of the Company’s customer classes. For the last three Company rate cases, please submit the

Company's Preliminary and Proposed customer charges, as well as the Actual customer charges allowed by the Department, for each customer class.

DOER 1-36 (electric):

Please refer to Schedule KMA-3 (Electric). This schedule indicates that the Preliminary volumetric charges are less than the Proposed customer charges for all of the Company's customer classes. For the last three Company rate cases, please submit the Company's Preliminary and Proposed volumetric charges, as well as the Actual volumetric charges allowed by the Department, for each customer class.

DOER 1-37 (electric):

Please refer to Schedule KMA-3 (Electric). This schedule identifies the Marginal Cost customer and volumetric components for each rate class. For the last three Company rate cases, please submit the Company's estimated Marginal Cost customer and volumetric components for each rate class.

DOER 1-38 (electric):

Please refer to Schedule KMA-3 (Electric). For each rate class, which of the Company's customer charges promotes the greatest rate efficiency, the Marginal Cost-based customer charge, the Preliminary rate-based customer charge, or the Proposed customer charge?

DOER 1-39 (electric):

Assume the proposed residential customer charge increases (electric) are approximately the same as the overall revenue requirement increase for the respective residential class. On a relative basis, if the proposed residential customer charge increases are the same as the overall proposed revenue requirement increase for the respective residential class, would this increase result in the Company's customer charges or volumetric rates being closer to the appropriate costs of these residential classes?

DOER 1-40 (electric):

Assume the proposed small general service customer charge increases are slightly less than the overall revenue requirement increase for the class. On relative basis, if the small general service customer charge increases are slightly less than the overall revenue requirement increase for the respective class, would this result in the customer charges or volumetric rates being closer to the appropriate costs for these small general service classes?

Matthew T. Morais
DOER Legal Counsel